

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 EB-07 FPC-01 H-02 INR-07

INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06

SAM-01 OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 /102 W

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R 102205Z SEP 76

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 1015

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E.O. 11652: N/A

TAGS: ENRG, CA

SUBJ: TWO MEMBERS OF ALCAN GAS PIPELINE GROUP WANT  
SEPARATE NEB HEARING

REF: OTTAWA 3601

1. SEPTEMBER 10 GLOBE AND MAIL ARTICLE SAYS THAT TWO  
CANADIAN PARTICIPANTS IN ALCAN NORTHERN GAS PIPELINE  
PROJECT HAVE REQUESTED NATIONAL ENERGY BOARD (NEB) TO  
HEAR THEIR CASE SEPARATELY AT END OF HEARINGS. FOLLOWING  
IS ABSTRACT OF ARTICLE:

-- FOOTHILLS PIPELINES (YUKON) LTD. AND ALBERTA GAS TRUNK  
LINE CO. LTD. ARGUED AT SPECIAL PREHEARING THAT THIS  
APPROACH WOULD ALLOW ENOUGH TIME TO PREPARE EVIDENCE FOR  
ALCAN HEARINGS. THIS WOULD ALSO PERMIT HEARINGS ON THE  
MAPLE LEAF PROJECT AND CANADIAN ARCTIC GAS PIPELINE LTD.  
PROJECT HEARINGS TO PROCEED WITHOUT DELAY. THE TWO FIRMS  
REQUESTED THAT THE SPECIAL HEARINGS "BE PART OF, BUT  
SEPARATE FROM, THE HEARINGS ON THE OTHER TWO PROJECTS."

-- ARCTIC GAS, HOWEVER, PROPOSED THAT EVIDENCE ON  
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ALCAN PROJECT BE INCORPORATED INTO CURRENT HEARINGS AS

SOON AS POSSIBLE. BY SCHEDULING A CATCH-UP SESSION FOR EVIDENCE ON PHASES ALREADY COMPLETED, FUTURE PHASES COULD THEN BE HANDLED AT SAME TIME AS MAPLE LEAF AND ARCTIC PROJECTS.

-- ARCTIC GAS SAID IT WOULD NOT ACCEPT CONCEPT OF HAVING ALCAN EVIDENCE PRESENTED AFTER IT HAD COMPLETED ITS OWN CASE BECAUSE THIS WOULD BE PREJUDICIAL.

-- ALCAN COMPANIES BELIEVE THEIR PROPOSAL IS SEPARATE FROM TWO MACKENZIE PIPELINES BECAUSE ROUTES ARE DIFFERENT AND ALCAN PROJECT WOULD NOT TRANSPORT CANADIAN GAS.

-- IT IS EXPECTED ALCAN COMPANIES WILL BE TOLD TO MOVE INTO STEP QUICKLY WITH OTHER APPLICANTS. FOOTHILLS (YUKON) LTD. TOLD NEB IT WOULD HAVE EVIDENCE READY BY NOVEMBER 15, ALMOST A MONTH AFTER OCTOBER 18 DATE SET BY NEB.

2. ANOTHER GLOBE AND MAIL ARTICLE OF SAME DATE BY JEFF CARRUTHERS REPORTS THAT THE PUBLIC INTEREST COALITION, WHICH CONSISTS OF THE CANADIAN WILDLIFE FEDERATION, THE COMMITTEE FOR AN INDEPENDENT CANADA, THE COMMITTEE FOR JUSTICE AND LIBERTY FOUNDATION, ENERGY PROBE AND THE WORK GROUP OF CANADIAN ENERGY POLICY, HAS WRITTEN PRIME MINISTER TRUDEAU EXPRESSING "GRAVE CONCERN" OVER UNDUE HASTE IN EXPEDITING MACKENZIE PIPELINE DECISION. LETTER OUTLINES FOLLOWING COMPLAINTS:

-- PRESSURE FROM A NUMBER OF QUARTERS HAS SUCCEEDED IN SPEEDING UP NEB HEARINGS DESPITE FACT NEB DOES NOT HAVE RESOURCES TO DO SO.

-- MACKENZIE PROJECT WOULD SET BACK HIGH ARCTIC PIPELINE PROJECTS INDEFINITELY.

-- PROJECT WILL PRECLUDE OTHER ALTERNATIVES SUCH AS DEVELOPMENT OF RENEWABLE ENERGY SOURCES.  
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-- PROJECT IS NOT URGENT BECAUSE CANADA HAS GAS RESERVES TO MEET ITS NEEDS UNTIL 1985 AND A THIRD PROJECT, THE ALCAN ROUTE, WILL DELAY U.S. DECISION BEYOND JULY 1977.

ACCORDING TO ARTICLE, COALITION'S LETTER WAS PROMPTED BY EARLIER LETTER FROM GULF OIL CANADA LTD. WHICH URGED GOC TO MAKE PROMPT, EARLY DECISION ON

MACKENZIE PIPELINE IN TIME TO COINCIDE WITH U.S.  
DECISION-MAKING SCHEDULE.

3. COMMENT: FOREGOING PRESS COVERAGE INDICATES INCREASING  
VISIBILITY OF FORCES WHICH COULD TEND TO DELAY NEB  
AND ULTIMATELY GOC GAS PIPELINE DECISION TIMETABLE. AS  
STATED EARLIER IN REFTTEL, EMBASSY OFFICERS WILL ATTEMPT  
TO GET A CLEARER PERSPECTIVE ON HOW THESE CONTRADICTIONARY  
FORCES WILL AFFECT NEB HEARING SCHEDULE DURING MEETING  
WITH NEB VICE-CHAIRMAN JACK STABBACK ON SEPT 13.  
ENDERS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, POLICIES, MEETINGS, PROGRAMS (PROJECTS), PETROLEUM PIPELINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 SEP 1976  
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**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**To:** STATE  
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